

SELFHELP COMMUNITY SERVICES, INC.		Policy #: 10
CORPORATE COMPLIANCE POLICY AND PROCEDURE MANUAL		Page 1 of 2
Subject: Auditing and Monitoring	Effective Date January 2006	Revision Date February 2008 January 2014, August 2023
Section: Corporate Compliance General		

**POLICY:**

Compliance with federal, state, local, contractual and accreditation standards is monitored using audit processes and other monitoring controls to provide procedural oversight and minimize identified risk areas. The Corporate Compliance Officer facilitates, observes and tracks auditing and monitoring activities to ensure that findings are recorded, and when appropriate, timely corrective action is achieved.

**PROCEDURE:**

1. Audits. Auditing activities are conducted to establish and implement an effective system for the routine monitoring and identification of compliance risks:
  - A) internally by staff assigned to a team to conduct internal monitoring and programmatic audits or
  - B) externally through the use of consultants who follow the Government Accountability Office (GAO) standards for audits of federal organization, programs, activities and functions.
    1. As identified by the audit committee of the governing body, an internal auditor is available to conduct audits in accordance with this policy, adhering to GAO standards, and maintaining organizational and individual independence.
    2. Employees may be assigned to an auditing team including supervisors, managers, directors, compliance staff, and experts at every level of the organization. Internal team audits may be formal or informal and inter- or intra- departmental.

3. External auditors will be consulted no less than annually to review the organization's financial procedures; evaluate the organization's compliance with the requirements of the Medical Assistance (MA) program and the overall effectiveness of the Compliance program.
- C) Each program maintains a schedule for internal monitoring of policies and processes in accordance with regulatory and contractual requirements. The Corporate Compliance Officer facilitates the reporting of these monitoring activities and outcomes, on a regular basis as determined by the department head, supporting the development and achievement of corrective action.
  - D) As the determination to conduct an audit is made, the design process depends entirely on the review objectives. For instance, determination needs to be made based upon:
    - Formal vs. informal review
    - Internal vs. external review
    - Objective of review
    - Scope of review
    - Areas to be reviewed and
    - Type of review (Compliance Financial etc.)
  - E) The planning phase of the audit includes gaining an understanding of the reasons for the audit, selecting an audit team and developing the audit objectives.
  - F) During the survey phase, identify the areas of potential risk and develop a corrective action plan to minimize that risk. Also identify potential audit areas and formulate plans for reviewing and testing management controls. The survey phase includes those steps necessary to bring together data to help the audit team decide on the nature, timing and extent of detailed audit work.
  - G) An audit plan is written to identify audit objectives and it should contain detailed data collection and analysis steps for each objective and subobjective.
  - H) The data collection and analysis phase is used to collect and analyze the evidence needed to develop and support the findings and conclusions of the audit and to develop recommendations.
  - I) A draft audit report is issued after having a formal meeting with audit officials to discuss the findings and recommendations.
  - J) A formal audit report is issued communicating the results of each audit in a timely manner.

- K) The results of all internal or external audits, or audits conducted by the State or Federal government of the required provider, shall be reviewed for risk areas that can be included in updates to the Compliance Program and Compliance work plan.
- L) The design, implementation, and results of any internal or external audits shall be documented, and the results shared with the Compliance Committee and the governing body.
- M) Any MA program overpayments identified shall be reported, returned and explained in accordance with the applicable regulations and corrective action shall promptly be taken to prevent recurrence.

(2) Annual Compliance Program review. The *Corporate Compliance Program and the Code of Conduct & Ethical Behavior* will be reviewed no less than annually by the Corporate Compliance Committee. The results of the annual compliance program reviews shall be shared with the chief executive, senior management, and accepted by the Board of Directors, which will be reflected in the Board meeting minutes.

The review should include on-site visits, interviews with affected individuals, review of records, surveys, or any other comparable method the Corporate Compliance Committee deems appropriate, provided that such method does not compromise the independence or integrity of the review.

If the Corporate Compliance Officer has other duties, the review shall also provide an assessment of whether such other duties hinder the Corporate Compliance Officer in carrying out their primary responsibilities under the Corporate Compliance Program.

The Corporate Compliance Committee shall document the design, implementation and results of the review, and any corrective action implemented.